

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION

47

April 3, 2001

FROM: WILLIAM H. RANDOLPH
County Administrative Officer

SUBJECT: POSITION ON PENDING STATE LEGISLATION (AB 850)

RECOMMENDATION: Support Assembly Bill 850 by Assembly Member Rod Pacheco that would void a contract involving a public entity after a bribery conviction of an employee or officer of either the contractor or the contracting public entity in connection with the formation or execution of that contract.

BACKGROUND INFORMATION: This bill is identical to AB 2606 (Pacheco) introduced last year; the Board of Supervisors took a support position, but the bill did not pass the Assembly Floor.

The certainty of having a contract voided under these circumstances provides a clear incentive for companies to monitor their employees, guard against impropriety and take action when necessary to ensure that all illegal activity is reported. Assembly Bill 850 provides a mechanism to restore public trust and confidence in government. The bill also provides flexibility from the automatic voiding action if the contractor cooperates fully with any criminal investigation and provides restitution for any damages.

According to the author's office, this bill helps protect taxpayers from overpayment on fraudulent contracts while motivating private companies to cooperate with law enforcement. The author notes that current law does not mandate termination of a contract secured by bribery. The author asserts that because of this "individuals who are convicted of bribery and their companies continue to profit from their illegal activities at the public's expense."

REVIEW BY OTHERS: This item has been coordinated with the Legislative Advocates Office (Jim Wiltshire).

SUPERVISORIAL DISTRICT(S): All

PRESENTER: Tom DeSantis

A.M.

RETURNED TO THE BOARD OF SUPERVISORS
CONTINUED TO TUESDAY, 4/10/01 @ 10

MOTION	MOVE	AYE	AYE	AYE	SECOND
	1	2	3	4	5

J. RENEE BASTIAN, INTERIM CLERK OF THE BOARD

BY _____

DATED: April 3, 2001